

MINUTES OF THE MEETING OF THE
UNIFORM COMMERCIAL CODE COMMITTEE
OF THE STATE BAR OF CALIFORNIA

May 13, 2004

9:00 a.m.

In-Person Meeting at the Joint Business Law Section Spring Meeting
and CBA Bank Counsel Seminar in Huntington Beach, California

The May, 2004 meeting of the Uniform Commercial Code Committee (the "Committee") was called to order at approximately 9:00 a.m. with Pauline Stevens and Andy Erskine presiding.

A. Administrative Matters.

1. Appointment of Secretary. Dolph Hellman was appointed as the secretary for the meeting.

2. Consideration of Applications to Committee. The Committee held a closed session to consider the applications of candidates seeking appointment to the Committee effective September, 2004. Vasco Morais and Sandra Shippey presided over the closed session. After deliberations, the Committee decided that 10 individuals seeking appointment to the Committee should be submitted to the Executive Committee for consideration prior to their June 16th meeting. Pauline Stevens then opened the meeting of the Committee to the public at approximately 10:05 a.m.

3. Committee Substantive Presentations. The Committee held a public presentation on the following topics: (a) The Case for Repealing the Bulk Sales Laws (Article 6), with Sandra Shippey leading the discussion; (b) an Update on the Proposed Revisions to Article 7, with Arnold Rosenberg leading the discussion; (c) an Update on the Proposed Revisions to Articles 2 and 2A, with Pauline Stevens leading the discussion; (d) an Update on the Proposed Certificate of Title Act, with Konrad Schreier leading the discussion; and (e) an Update on the Proposed Report on Legal Opinions in Secured Transactions, with Pam Martinson leading the discussion.

3. Confirmation of Future Meeting Dates/Locations. The Committee confirmed future meeting dates as follows:

June 9th (Wednesday): in person meeting in Oakland, California at the Oakland Airport Holiday Inn, 9:30 a.m. – 12:30 a.m.

July 6th (Tuesday) or July 7th (Wednesday) - TBA: videoconference at the offices of Morrison & Foerster in Los Angeles, Palo Alto, San Diego and San Francisco, 9:30 a.m.

Future meeting dates will be determined at the June 9th meeting.

4. Approval of Minutes from April 8, 2004 Meeting. Pauline Stevens noted that because the minutes from the April 8, 2004 had not been circulated in advance of this meeting, the minutes would be considered for approval at the June 9th meeting.

B. Report from the Article 1 Subcommittee Regarding Recent Developments Related to Revised Article 1.

Peter Szurley reported that it was his understanding that legislation would be re-introduced by next year regarding revised Article 1.

C. Report of the Hidden Liens Subcommittee.

Jaryn Barker reported that the subcommittee has divided their research into 3 groups, with each of Jaryn Barker, Bob Anderson and Dena Cruz handling a portion of the research, and that she hoped that the subcommittee would have more to report regarding the results of their research at the June 9th meeting. Peter Szurley suggested that the subcommittee work with the Insolvency Committee to coordinate their research project and to make sure that work on this project was not being duplicated.

D. Report of the Website Review and Development Subcommittee.

Gary Rosenbaum reported that the Committee's website continues to be updated once a month and that any information to be posted within the coming month should be sent to him as soon as possible.

E. Report of the Legislative Subcommittee.

Marty Opich reported that the only proposed legislation of note was (i) the proposed repeal of the Bulk Sales Laws (Article 6) and (ii) the proposed extension of the "sunset" provisions set forth in Section 4406. Regarding the attorney's lien bill that had been reported on at prior meetings, Marty said that she would check with Dena Cruz regarding the status and that she would provide the Committee with an update at the next meeting. Marty also stated that since the bulk of the subcommittee member's terms were expiring in September, her and the other subcommittee members would work to put together a list of "best practices" with respect to their monitoring techniques so that the new subcommittee members will have guidelines to work from next year.

F. Report of the Programs Committee.

Vasco Morais reminded the Committee members that he, Bob Anderson and Kathleen Vasquez would be giving a presentation on Friday, May 14th regarding the status of the State of California UCC Electronic Filing System. Konrad Schreier, Stephen Eberle and others suggested that there be some sort of safeguards put in place regarding the ability to file "bulk terminations" on line. Vasco agreed to discuss this concern with Kathleen Vasquez at the next available opportunity.

With respect to publications, Vasco Morais indicated that he hoped to have an article ready for publication in the Business Law News within the next few months.

The meeting was adjourned at approximately 12:15 p.m.